

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	No. 03-530-A
)	
LAURENCE L. COCKERILLE, JR.)	

STATEMENT OF FACTS

_____The United States and the defendant agree that had this matter proceeded to trial, the United States would have proven the following facts beyond a reasonable doubt:

1. Defendant LAURENCE L. COCKERILLE, JR., was a physician residing in the State of Ohio, licensed in the States of Ohio and Michigan, and specializing in the practice of dermatology. He also held a Controlled Substances Registration Certificate issued by the Drug Enforcement Administration. During the period April 2000 through December 2000, COCKERILLE participated in a conspiracy to sell via the Internet, controlled substances and other prescription drugs to consumers in the United States and throughout the world. Through these methods, the defendant and his co-conspirators mass-marketed their drugs and services. In furtherance of this conspiracy, COCKERILLE authorized his name to appear on vials of drugs that were distributed and dispensed to customers by other individuals and entities with whom he conspired. COCKERILLE authorized the issuance of at least 7,174 prescriptions, of which at least 6,872 prescriptions were for controlled substances. This resulted in the distribution and dispensing of at least 34,590 pills of Schedule III substances and at least 388,600 pills of Schedule IV substances to customers in, among other places, Fairfax County, Arlington County, and Fauquier County in the Eastern District of Virginia. During this time period, COCKERILLE was

aware that several other physician co-conspirators were also authorizing the distribution and dispensing of controlled substances to customers of other websites controlled by his co-conspirators. The Schedule III substance distributed and dispensed was phendimetrazine, a stimulant for weight loss, sold by its brand name Bontril. The Schedule IV substances distributed and dispensed were phentermine, sold generically and by the brand names Adipex and Ionamin, and sibutramine hydrochloride, sold by the brand name Meridia. These drugs are indicated for weight loss.

2. James A. Trovato, Jr., a co-conspirator, hired COCKERILLE to authorize the distributing and dispensing of controlled substances to customers who ordered drugs over the Internet on the basis of website order forms. Trovato, together with another co-conspirator, Vincent K. Chhabra, owned and operated several websites that advertised various controlled substances and other prescription drugs for sale to domestic and international customers. Included among the controlled substances offered to customers were drugs commonly known as Bontril, Ionamin, Phentermine, Adipex, and Meridia.

3. Customers who ordered drugs from the co-conspirators' websites were not required to provide a prescription before receiving the controlled substances. Instead, customers filled out an online order form and chose the type, quantity, and dosage of controlled substance the customer wished to purchase. Customers also answered questions about their medical conditions. Many questions had default answers provided that "qualified" customers to receive drugs. Customers had the option of changing the default answers to provide other information.

4. Under the Controlled Substances Act and its implementing regulations, for a prescription to be valid, a prescription had to be issued for a legitimate medical purpose by an individual acting in the usual course of the professional practice. 21 C.F.R. § 1306.04.

5. The prescriptions authorized by COCKERILLE were not valid because COCKERILLE had no face-to-face contact with the customers for whom he authorized the dispensing and distribution of controlled substances, he performed no mental or physical examination, did not take a patient history or perform any diagnostic or laboratory testing, did not check the accuracy of the information customers provided (including their identities, ages, and qualifying medical conditions, such as weight), and did not monitor, or provide any means to monitor, medication response, weight loss or weight gain, nor did he seek information concerning the amounts of drugs his co-conspirators had authorized to be distributed and/or dispensed to particular customers. Instead, as COCKERILLE and his co-conspirators well knew and agreed, the controlled substances were distributed and dispensed for other than legitimate medical purposes and not in the usual course of professional practice. As such, COCKERILLE's and his co-conspirators' actions violated the Controlled Substances Act.

6. As a result of the procedures used in this Internet drug distribution business, COCKERILLE authorized the dispensing and distribution of excessive quantities of controlled substances and other prescription drugs to many customers on a regular basis.

7. COCKERILLE was paid by Trovato for authorizing the distribution and dispensing of controlled substances ordered by the Internet customers.

8. On or about October 4, 2000, COCKERILLE signed a Consent to Judgment in Arizona v. T.A.C.E., LLC, et al., Arizona Superior Court, Pima County, No. 20003251, in which

he agreed, among other things, not to participate in selling or dispensing prescription drugs via the Internet to Arizona consumers. A Consent Judgment in the case was signed by the court on November 17, 2000, and entered on November 20, 2000. Between October 6, 2000, and November 30, 2000, COCKERILLE approved prescriptions for thirty-three Arizona consumers who ordered drugs over the Internet.

9. COCKERILLE used a special skill, his medical training, to facilitate the commission of this offense.

Respectfully submitted,

PAUL J. McNULTY
UNITED STATES ATTORNEY

By: _____
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United States Department of Justice

After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, LAURENCE L. COCKERILLE, JR., and the United States, I hereby

stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

LAURENCE L. COCKERILLE, JR.
Defendant

I am LAURENCE L. COCKERILLE, JR.'s attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.

Michael Nachmanoff
Counsel for Defendant